

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

A281.3919
m34
Cap. 2

U. S. DEPT. OF AGRICULTURE
NATIONAL AGRICULTURAL LIBRARY

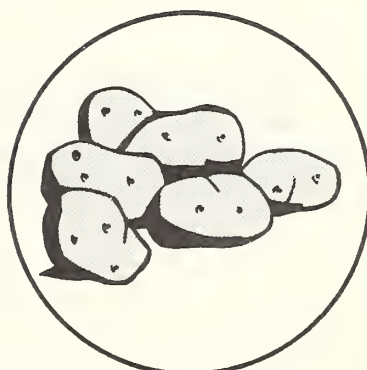
APR 8 - 1965

CURRENT SERIAL RECORDS

1965

ACREAGE -
MARKETING
GUIDES

SUMMER AND FALL
POTATOES



F O R E W O R D

The acreage-marketing guides program is designed to help growers in appraising the markets for their commodities and developing a realistic planting and production schedule. The guides provide the latest information available concerning the market potential for potatoes and the acreage needed to produce a supply in balance with market requirements.

The guides are prepared by specialists who follow the market for potatoes closely throughout the year. They analyze the variations of the market, check production and market opportunities, interpret the past seasons and their meaning for the coming one. All factors affecting the supply and demand for potatoes are considered.

On the basis of this continuous study of the potato market, specific recommendations are prepared. These recommendations are an effort by USDA to help growers provide adequate potato supplies - enough to satisfy consumers' needs but not so much that prices get depressed.

The guide for each state is presented in terms of a percentage change in potato acreage from the preceding year's acreage. Each grower then can apply this percentage change to his own operation and obtain his individual guide. The recommendations are reviewed before publication by representatives of various agencies in the USDA with particular interest in the potato industry.

The fundamental concept behind the guides program is that, given the latest information available, the potato grower will make intelligent decisions for his and the industry's best interest. When growers have kept acreage within the levels recommended by the USDA, few marketing difficulties have been encountered.

Earlier editions of this publication were issued by the Agricultural Marketing Service. The name of the agency was changed to Consumer and Marketing Service, effective February 8, 1965.

C O N T E N T S

	<u>Page</u>
Introduction	4
Development of Guides	4-5
Guide allocations	5-6
Acreage Guides for Summer and Fall States	7
Marketing Guide for Summer and Fall States	8
Seasonal Trends	9-15
Regional Trends	16-17
Review of the U. S. Potato Industry:	
Acreage, yield, production, 1934-64	18-19
Utilization, 1956-63	20-27
Price and value, 1956-63	28-29
Index of Acreage, Yield and Production	30
Acreage and Production in Major States and State's Rank	31

1965 ACREAGE-MARKETING GUIDES

Summer and Fall Potatoes

I. INTRODUCTION

The basic objective of acreage-marketing guides is to bring about a needed change in planted acreage from that of the preceding year so that the resulting production will be in balance with market requirements. The performance of every potato producer has a bearing upon the ultimate market for this commodity. Therefore, to improve prospects for a successful season, each grower should adjust his own acreages in accordance with the individual State guide.

The recommended acreage adjustments necessarily assume normal weather conditions, usual planting schedules, and normal marketing patterns. The recommendations also assume average yield per acre will be obtained. With these conditions, production from the guide acreages would provide adequate supplies for all normal outlets under prospective demand conditions.

Before planting time, growers and processors should evaluate carefully their potential outlets. Potato producing areas which have developed local outlets such as starch processing facilities or livestock feeding programs for the utilization of culls and other low-grade potatoes have assured themselves of a valuable price stabilizer. Areas without such local outlets for the utilization of low-grade supplies should make efforts to establish them. The USDA stands ready to provide guidance and suggestions for such endeavors.

II. DEVELOPMENT OF GUIDES

In the development of the acreage marketing guides, the procedure is to establish a balance sheet comparing production and utilization in recent crop years. Supply and price relationships are evaluated. Levels and trends in utilization in principal outlets are carried forward to establish estimates of needs in the crop year ahead. The sum of the estimated needs becomes the national marketing guide, which is pro-rated to the seasonal crops and to States on the basis of average production.

Shown below is the potato utilization table used to develop the marketing guide for 1965.

<u>Utilization items:</u>	<u>1962</u>	<u>1963</u>	<u>Estimate</u> <u>1964</u>	<u>Guide</u> <u>1965</u>
	<u>----- Million cwt. -----</u>			
Food	210.4	213.1	204.9	214.0
Seed	20.4	20.5	20.0	20.0
Residual	<u>35.9</u>	<u>38.1</u>	<u>18.0</u>	<u>23.0</u>
Total	<u>266.7</u>	<u>271.7</u>	<u>242.9</u>	<u>257.0</u>

The principal uses of potatoes are for food and for seed. Commingled with food and seed supplies are quantities removed in the grading process and

surplus stocks. Quantities not required for food and seed and those removed in the grading process - the so-called residual quantity - is utilized for livestock feed and starch or is accounted for on farms where grown as shrinkage, waste and loss.

The annual total use of potatoes for food has shown a gradual uptrend since the mid-1950's. Total food use in the 1963 marketing year was a record 213.1 million hundredweight, 1.3 percent more than in 1962, and 8 percent more than the 1957-61 average. Seed used from the 1963 production for planting 1964 acreages amounted to 20.5 million hundredweight, up fractionally compared with the 1962 estimate, but 9 percent below the 1960 peak use of 22.5 million. The total quantity of 1963 crop potatoes used in residual outlets, including starch and livestock feed and on-farm disposition, was estimated at 38.1 million hundredweight, 2.2 million more than in 1962.

Because of the drop in production in 1964, the total quantity of potatoes to be used for food in the 1964 marketing year is expected to be moderately less than in 1963. The total seed to be used from the 1964 supply is expected to approximate that used from the past several crops. The total quantity from the 1964 supply destined for residual outlets, however, is expected to be near record-low and less than half of the total residual reported for the 1963 season.

With a crop of 257 million hundredweight in 1965, total food use would approximate 214 million hundredweight. The guide production would provide a per capita supply for food of 112 pounds which would be consistent with the per capita flow in past years. Potatoes needed for seed will total approximately 20 million hundredweight. The residual quantity, which will consist mostly of low quality supplies removed in the grading process, would amount to 23 million hundredweight.

The fresh table market can be expected to continue as the most important potato outlet. But utilization of potatoes in the manufacture of processed food products is expected to continue to trend upward. Demand for chips, frozen French fried, and dehydrated items has been strong, particularly this marketing year and last. If potato utilization continues to reflect recent trends, at least 30 percent of the total quantity of potatoes used for food in 1965 will be processed, and 70 percent or less will be used in the fresh form.

III. GUIDE ALLOCATIONS

The national guide of 257 million hundredweight was allocated to the seasonal crops and to states within the seasonal group on the basis of 1961-64 average production. Because the national guide is approximately 4.4 percent less than 1961-64 average crop, the average production for each season and each state was reduced by equitable factors to establish marketing guides. The state marketing guides were translated into acreage guides by dividing by an estimated yield per acre. In some instances, acreage guides were adjusted so that guides for all summer and fall producing areas would fall within a range of 90 to 100 percent of the acreages planted in 1964.

The seasonal marketing guides for 1965 compared with production in 1964 are shown below.

<u>Season</u>	Production, 1964	Marketing Guide, 1965
	<u>Mil. cwt.</u>	<u>Mil. cwt.</u>
Winter	3.7	3.6
Early Spring	4.2	5.0
Late Spring	20.2	20.8
Early Summer	11.5	12.5
Late Summer	28.5	29.0
Fall	174.7	186.0
U. S.	242.9*	257.0*

(* Figures do not tally due to rounding)

The guide recommendations assume that potato yields per acre by states in 1965 will be equal to the average of the two highest yields obtained in the four years, 1961-64. Assuming such yields, the marketing guide levels listed above can be obtained from the seasonal acreage guides shown below in comparison with 1964 plantings.

<u>Season</u>	<u>Planted acreage</u>		<u>Guide for 1965 as percent of 1964 Percent</u>
	<u>1964 Acres</u>	<u>Guide, 1965 Acres</u>	
Winter	18,400	18,400	100
Early Spring	27,300	27,380	101
Late Spring	97,300	101,055	104
Early Summer	81,600	79,710	98
Late Summer	146,500	136,720	93
Fall	976,100	904,390	93
U. S.	1,347,200	1,267,655	94

For 1965, the guide recommendation is for a total early summer acreage 2 percent less than was planted in 1964. For the late summer and fall crops, the guide is for an acreage 7 percent less than in 1964. Acreage guide recommendations for the individual summer and fall producing states range from 90 percent of the acreage planted in 1964 to an equal acreage. Trends in winter and spring producing areas have been such as to result in recommendations in 1965 for a combined acreage slightly larger than was planted in 1964. Acreage guides for each summer and fall crop area are shown on page 7, and area marketing guides are shown on page 8.

1965 POTATO ACREAGE GUIDES
SUMMER AND FALL CROPS AND SUMMARY

Season	:	: 1965 guide	:	:	: 1965 guide
and	:	: as percentage	:	:	: as percentage
State	:	: change from	:	:	: change from
	:	: 1964 planted	:	:	: 1964 planted
	<u>Acres</u>	<u>Percent</u>		<u>Acres</u>	<u>Percent</u>
<u>Early Summer:</u>			<u>Fall:</u>		
Missouri	4,500	0	Maine	134,880	- 7
Kansas	2,100	0	New Hampshire	1,500	0
Delaware	8,500	0	Vermont	2,000	0
Maryland	2,700	0	Massachusetts	4,520	- 6
Virginia:			Rhode Island	3,600	- 10
Eastern Shore	19,510	- 5	Connecticut	6,050	- 10
Norfolk	300	0	New York, L. I.	27,700	0
Other	3,390	- 8	New York, Upstate	39,640	- 6
Total Virginia	23,200	- 5	Pennsylvania	32,800	- 8
North Carolina	4,500	0	8 Eastern-Fall	252,690	- 6
Georgia	600	0			
Kentucky	8,000	0	Ohio	9,410	- 2
Tennessee	6,500	0	Indiana	4,000	0
Texas	11,010	- 3	Michigan	36,560	- 5
California	8,100	- 4	Wisconsin	30,150	- 10
Total E. Summer	79,710	- 2	Minnesota	95,170	- 7
			Iowa	2,800	0
<u>Late Summer:</u>			North Dakota	103,830	- 9
Massachusetts	1,890	- 6	South Dakota	5,030	- 1
Rhode Island	1,150	- 4	Nebraska	7,600	- 1
New York, L. I.	9,720	- 10	9 Central-Fall	294,550	- 7
New Jersey	15,710	- 9			
Pennsylvania	3,110	- 3	Montana	7,190	- 5
Ohio	4,000	0	Idaho-10 S.W. Co.	17,190	- 10
Indiana	3,220	- 2	" -Other Co.	209,390	- 10
Illinois	2,900	- 6	Wyoming	3,240	- 10
Michigan	6,840	- 10	Colorado	35,530	- 4
Wisconsin	22,950	- 10	Utah	8,230	- 9
Minnesota	6,570	- 10	Nevada	500	0
Nebraska	3,390	- 3	Washington	19,000	0
Maryland	1,320	- 6	Oregon-Malheur Co.	9,850	- 2
Virginia	2,400	- 8	-Other Co.	23,990	- 8
West Virginia	7,500	0	California	23,040	- 10
North Carolina	2,750	- 2	9 Western-Fall	357,150	- 8
Colorado	12,800	0			
New Mexico	1,800	0	Total Fall	904,390	- 7
Washington	18,900	- 10			
California	7,800	0	Total Winter	18,400	0
Total L. Summer	136,720	- 7	Total Spring	128,435	+ 3
			Total Summer	216,430	- 5
			Total Fall	904,390	- 7
			U. S.	1,267,655	- 6

1965 POTATO MARKETING GUIDES
SUMMER AND FALL CROPS AND SUMMARY

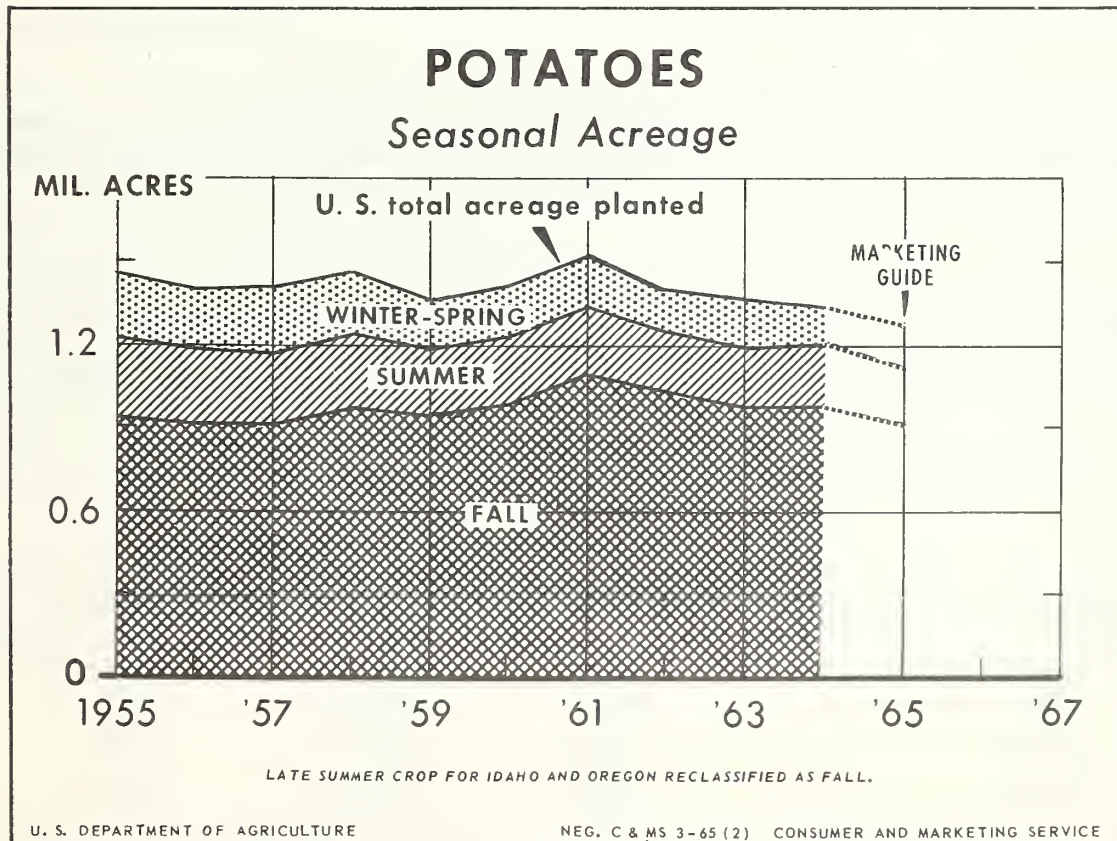
Season and State	:	Marketing guide 1965	:	Season and State	:	Marketing guide 1965
		<u>1,000 cwt.</u>				<u>1,000 cwt.</u>
<u>Early Summer:</u>			<u>Fall:</u>			
Missouri		405	Maine		36,417	
Kansas		176	New Hampshire		293	
Delaware		1,802	Vermont		360	
Maryland		324	Massachusetts		972	
Virginia:			Rhode Island		943	
Eastern Shore		3,082	Connecticut		1,391	
Norfolk		37	New York, L. I.		7,618	
Other		251	New York, Upstate		9,038	
Total Virginia		<u>3,370</u>	Pennsylvania		<u>6,495</u>	
North Carolina		549	8 Eastern-Fall		<u>63,527</u>	
Georgia		33				
Kentucky		528	Ohio		1,788	
Tennessee		546	Indiana		880	
Texas		2,037	Michigan		6,874	
California		<u>2,768</u>	Wisconsin		6,603	
Total E. Summer		<u>12,538</u>	Minnesota		11,040	
			Iowa		414	
<u>Late Summer:</u>			North Dakota		12,356	
Massachusetts		377	South Dakota		518	
Rhode Island		224	Nebraska		<u>1,542</u>	
New York, L. I.		2,547	9 Central-Fall		<u>42,015</u>	
New Jersey		4,007				
Pennsylvania		615	Montana		1,265	
Ohio		648	Idaho - 10 S. W. Co.		4,521	
Indiana		625	" - Other Co.		43,972	
Illinois		261	Wyoming		512	
Michigan		1,088	Colorado		8,030	
Wisconsin		4,315	Utah		1,349	
Minnesota		1,014	Nevada		102	
Nebraska		522	Washington		5,985	
Maryland		125	Oregon-Malheur Co.		2,542	
Virginia		192	" - Other Co.		6,117	
West Virginia		495	California		<u>6,036</u>	
North Carolina		380	9 Western-Fall		<u>80,431</u>	
Colorado		2,509				
New Mexico		306	Total Fall		<u>185,973</u>	
Washington		6,143	Total Winter		3,628	
California		<u>2,652</u>	Total Spring		25,816	
Total L. Summer		<u>29,045</u>	Total Summer		41,583	
			Total Fall		<u>185,973</u>	
			U. S.		<u>257,000</u>	

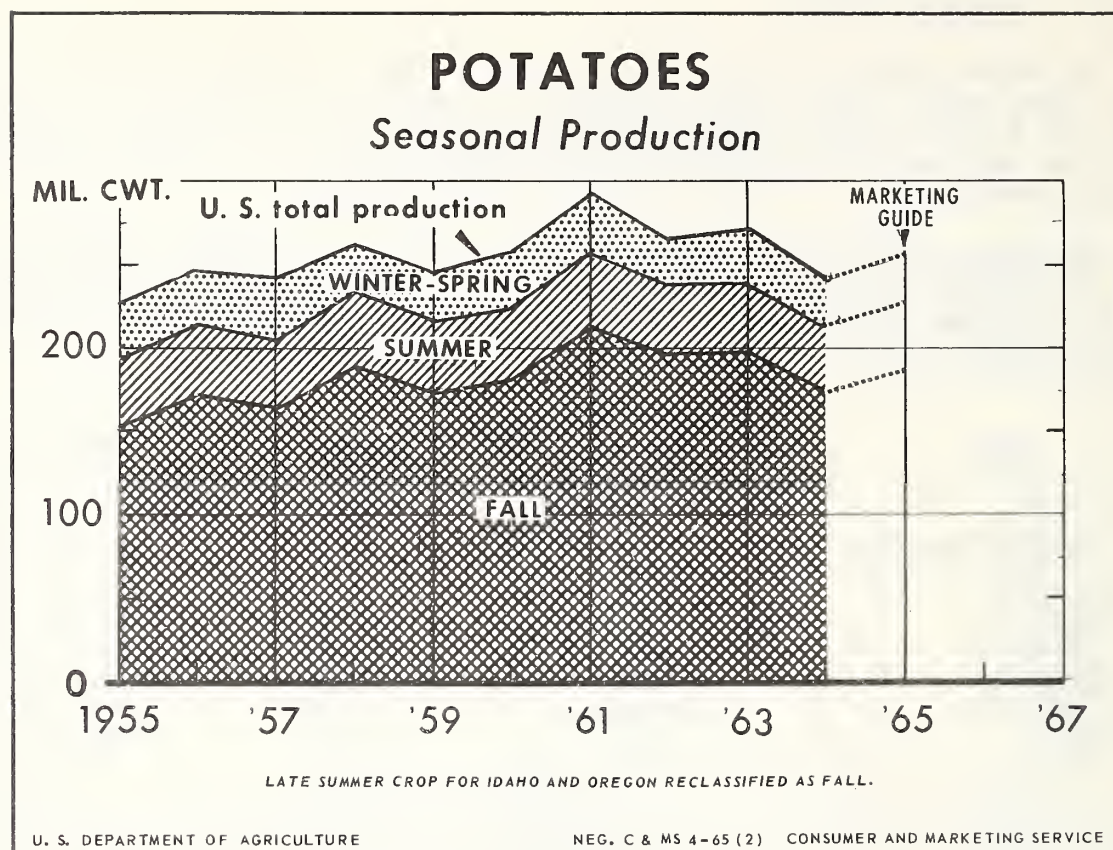
IV. SEASONAL TRENDS

The total acreage planted to potatoes has shown a downward trend since 1961. (See chart below) Total plantings in 1964 were one percent less than in 1963, and 6 percent less than the 1958-62 average. The U. S. potato acreage guide for 1965 is 1,267,655 acres, or 6 percent less than the 1964 plantings of 1,347,200 acres.

From 1955 through 1961, the percentage of the U. S. acreage planted in fall crop areas trended upward slightly; and acreages planted in late spring and early summer areas declined slightly. The percentages of the U. S. total acreage originating by seasonal groups are summarized below:

<u>Year</u>	<u>Winter and Spring</u>	<u>Summer</u>	<u>Fall</u>
---- Percent of U. S. total acreage ----			
1955-59, average	15.2	19.1	65.7
1960	13.0	17.5	69.5
1961	12.3	16.2	71.5
1962	11.0	16.4	72.6
1963	12.0	16.9	71.1
1964	10.6	17.0	72.4





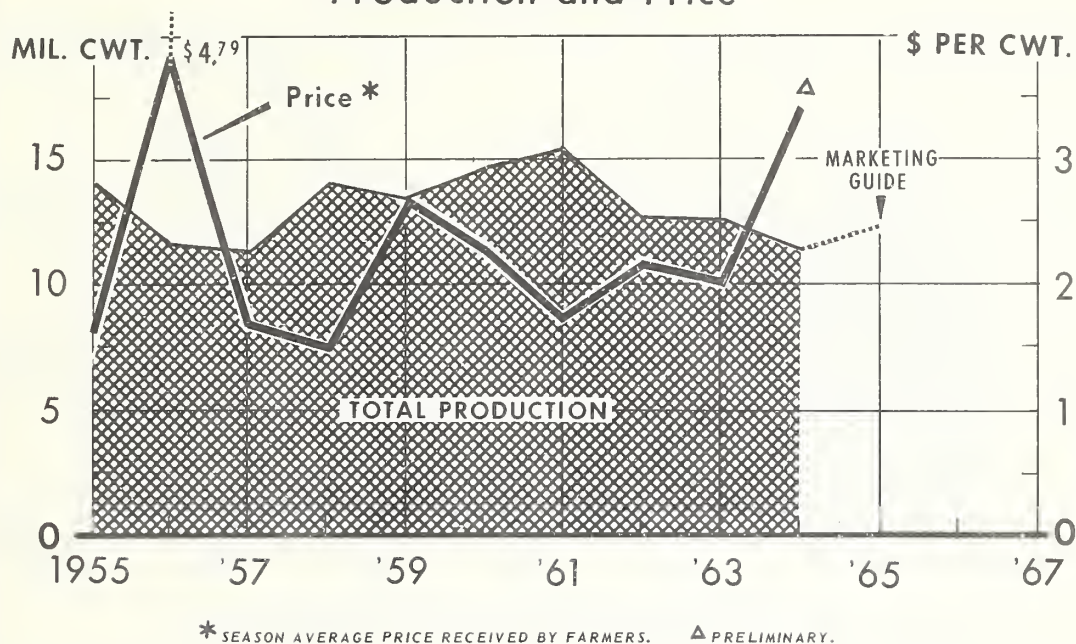
The U. S. potato marketing guide in 1965 is 257 million cwt. or 6 percent more than the 1964 production of 242.9 million. Extremes in rainfall and temperatures reduced per-acre yield in 1964, and total production was sharply below expectations.

Similar to the trend in seasonal acreage, the percentage of the U. S. potato crop originating in fall producing areas has trended upward in the past decade. Almost 72 percent of the U. S. 1964 potato crop originated in fall producing areas compared with 67.4 percent in 1955. The percentages of the U. S. potato production originating by seasonal groups are summarized below:

<u>Year</u>	<u>Winter and Spring</u>	<u>Summer</u>	<u>Fall</u>
---- Percentage of U. S. production ----			
1955-59, average	13.5	17.0	69.5
1960	12.9	17.0	70.1
1961	12.7	15.6	71.7
1962	11.0	15.8	73.2
1963	12.1	15.3	72.6
1964	11.6	16.5	71.9

EARLY SUMMER POTATOES

Production and Price



U. S. DEPARTMENT OF AGRICULTURE

NEG. C & MS 5-65 (2) CONSUMER AND MARKETING SERVICE

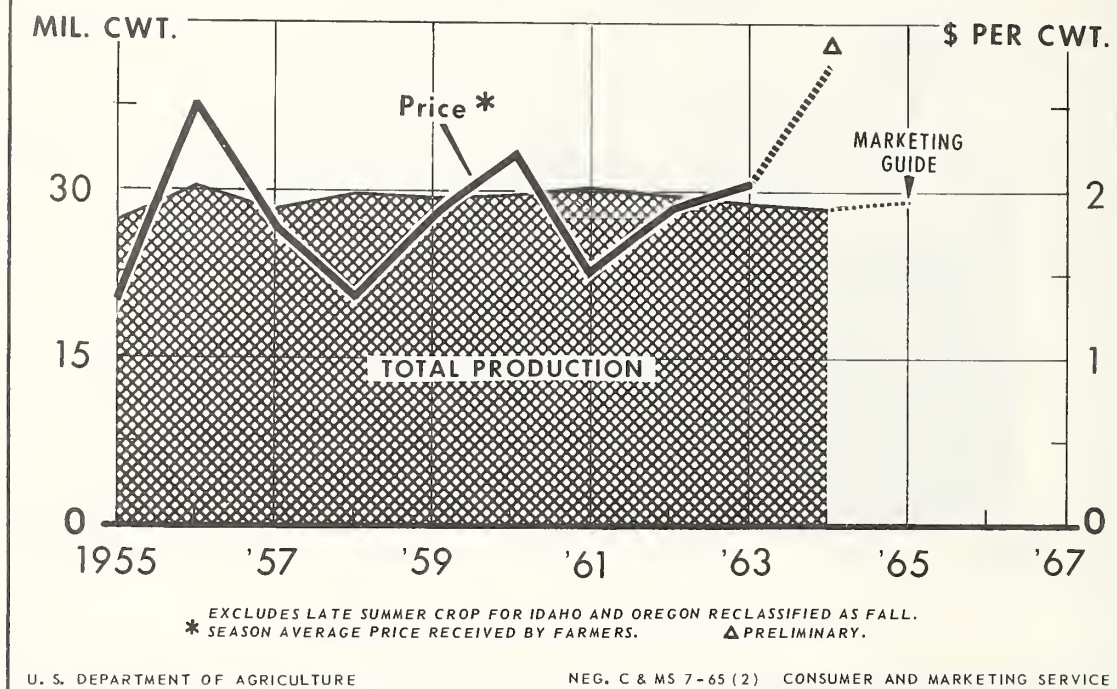
Most of the early summer crop is marketed between July 1 and August 15. Due to a reduction in acreage and below-average yield per acre, total early summer production in 1964 was 9 percent less than in 1963, and was one of the smallest crops in the past decade. Most of the crop is produced in California, Virginia, Texas, and Delaware.

The early summer marketing season in 1964 was favorable for growers. Supplies of spring crop potatoes moved into markets at high prices and, as a result, carryover of spring supplies into the early summer season was below average. Shipments of early summer supplies were in balance, and because of reduced yields, there was little bunching in harvests. Most of the supply was sold for fresh table use; potato chippers also purchased supplies in major producing areas.

Markets should be able to absorb in 1965 a moderately larger crop of early summer potatoes than was available in 1964. However, due to the potential for a higher yield in 1965, a larger crop can be obtained from a slightly smaller acreage.

LATE SUMMER POTATOES

Production and Price



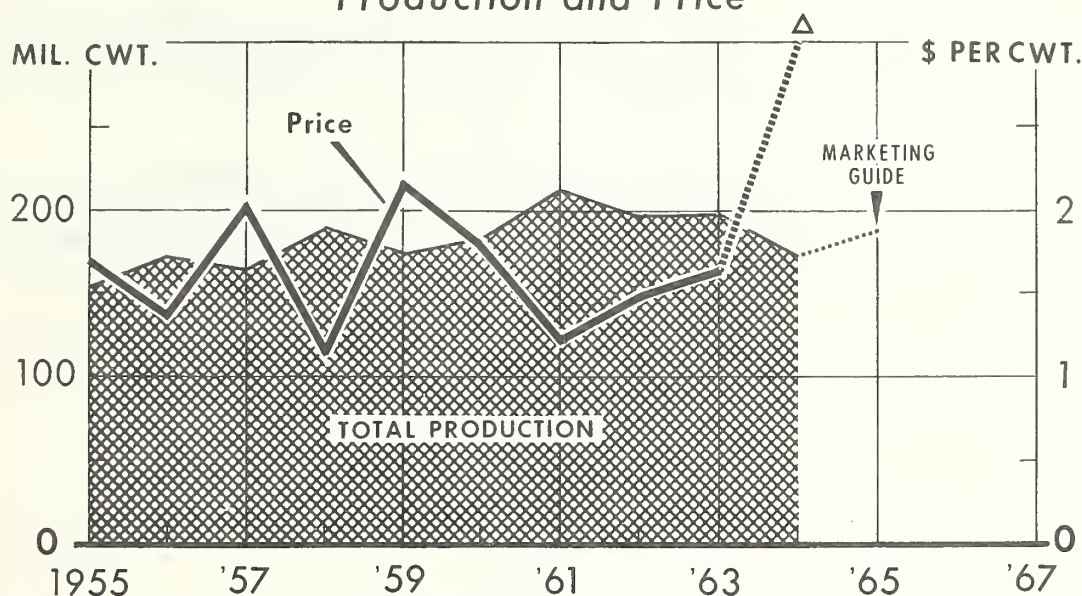
Most of the late summer crop is marketed between mid-July and September 30. Average yield per acre in late summer areas has trended upward. The rising yield trend offset a downward trend in total acreage, and in the past decade production was maintained within a relatively narrow range, from 27.2 to 30.3 million cwt. Production is scattered throughout the northern tier of states. The bulk of the crop is produced in Washington, Wisconsin, New Jersey, Long Island, California, and Colorado.

The favorable potato market that prevailed in the spring and early summer of 1964 continued in the late summer. Favorable prices encouraged rapid marketings during the late summer. Supplies increased seasonally, and prices declined during most of August and stabilized in September. Prices received by growers' however, were the highest since 1952.

In 1965, there should be sufficient outlets for a crop slightly larger than in 1964. Growers, however, may encounter more competition from overlapping supplies. With a higher yield potential in 1965 compared with 1964, an increase in late summer supply can be expected from a moderately smaller acreage.

FALL CROP POTATOES

Production and Price



* SEASON AVERAGE PRICE RECEIVED BY FARMERS. ▲ PRELIMINARY.
INCLUDES LATE SUMMER CROP FOR IDAHO AND OREGON RECLASSIFIED AS FALL.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C & MS 9-65 (2) CONSUMER AND MARKETING SERVICE

Total acreage of fall potatoes trended upward erratically during the 1950s, peaking in 1961. Plantings were reduced in 1962 and again in 1963; total plantings in 1964 were one percent more than in 1963. Average yield per acre has shown a long-term upward trend, and in 1963, a record high yield for the seasonal crop of 206.4 cwt. was produced. But due to extremes in temperature and rainfall, yield declined to 185.8 cwt. in 1964. Total fall production in 1964 was 174.7 million cwt. 11 percent less than in 1963, and 4 percent less than the USDA marketing guide.

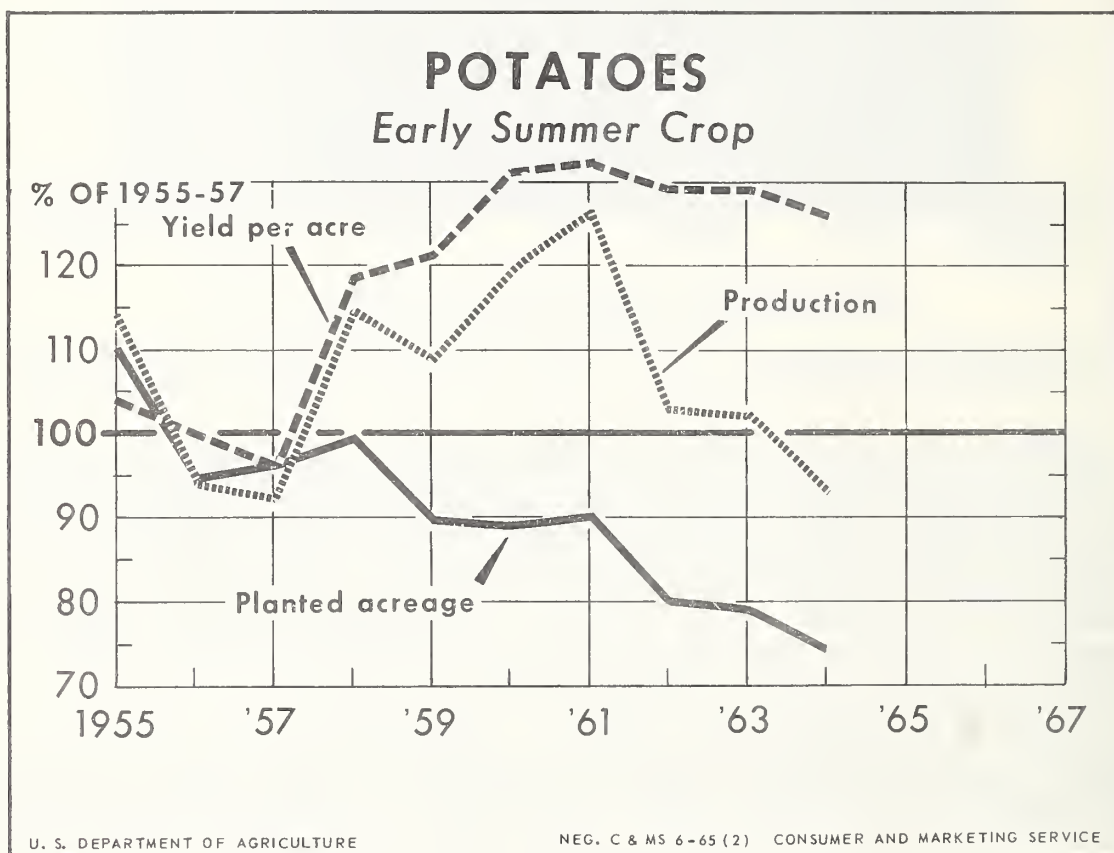
Following the smaller production of 1964 crop fall potatoes, a below-average supply was put into storage. Nevertheless, demand for storage potatoes in food and seed markets was as strong as a year earlier. The intense competition for the storage supply pushed prices to levels much above normal.

The market potential for fall potatoes in 1965 is expected to be favorable. With normal weather in 1965, growers can expect an increase in average yield, and a sufficient tonnage could be produced from a total fall acreage in 1965 that is 7 percent less than in 1964.

As outlined in the chart below and on the charts on the opposite page, sharp percentage declines have been recorded in acreages of early and late summer potatoes. But total fall potato acreage in 1964 was moderately above the 1955-57 average.

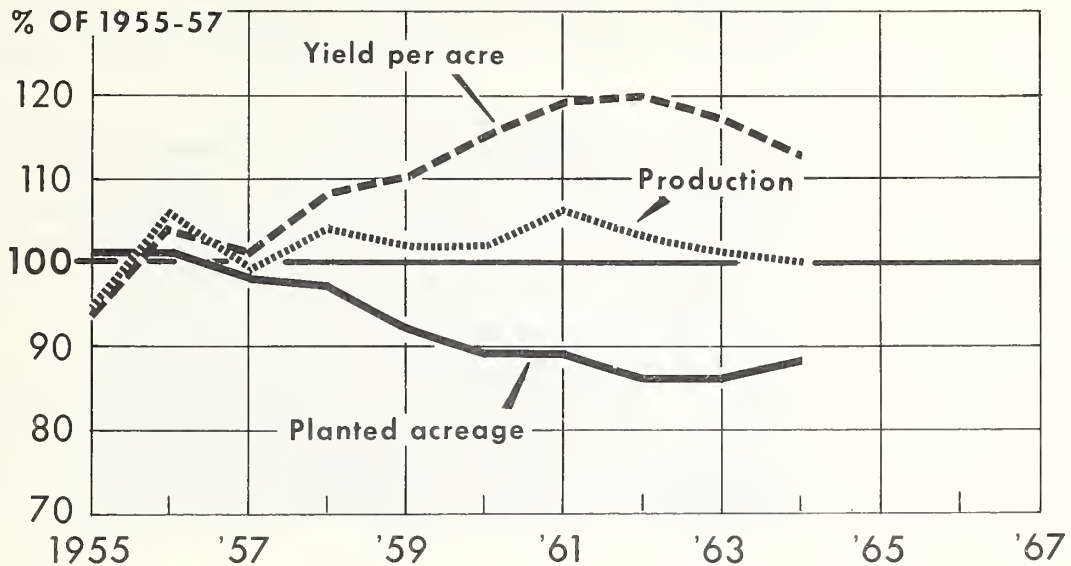
Sharp gains in average yield per acre have occurred in early and late summer areas. Changes in total acreage and average yield per acre in summer areas have been almost offsetting, and production in 1963 and in 1964 did not vary greatly from the 1955-57 average.

The percentages for the fall crop in 1959 and 1964 regressed toward the 1955-57 average. In 1959 and in 1964, production levels were relatively small compared with market needs, and potato prices were favorable for growers. (The table of percentages for these charts is on page 30.)



POTATOES

Late Summer Crop



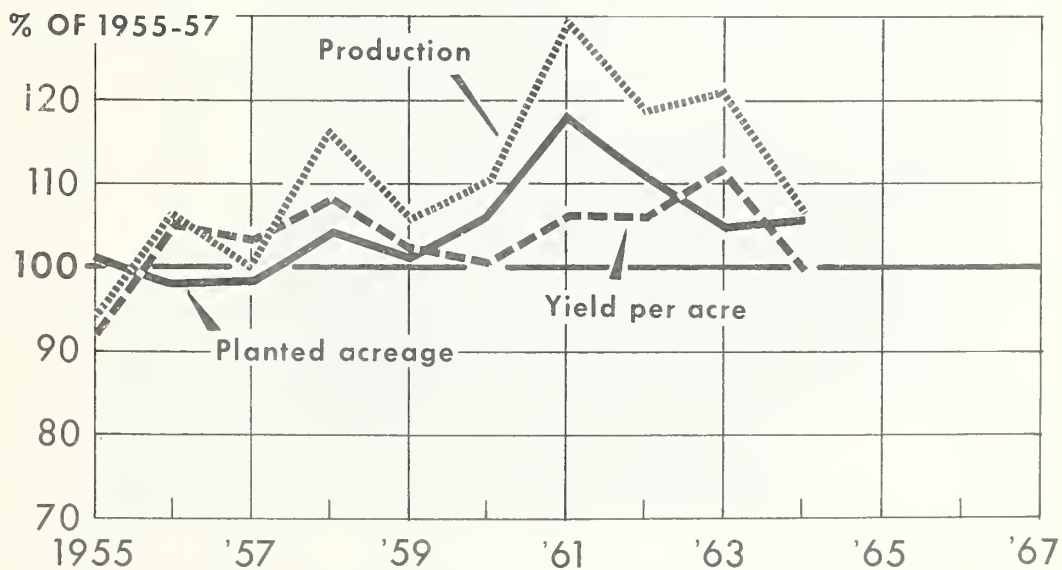
EXCLUDES LATE SUMMER CROP FOR IDAHO AND OREGON RECLASSIFIED AS FALL.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C & MS 8-65 (2) CONSUMER AND MARKETING SERVICE

POTATOES

Fall Crop



INCLUDES LATE SUMMER CROP FOR IDAHO AND OREGON RECLASSIFIED AS FALL.

U. S. DEPARTMENT OF AGRICULTURE

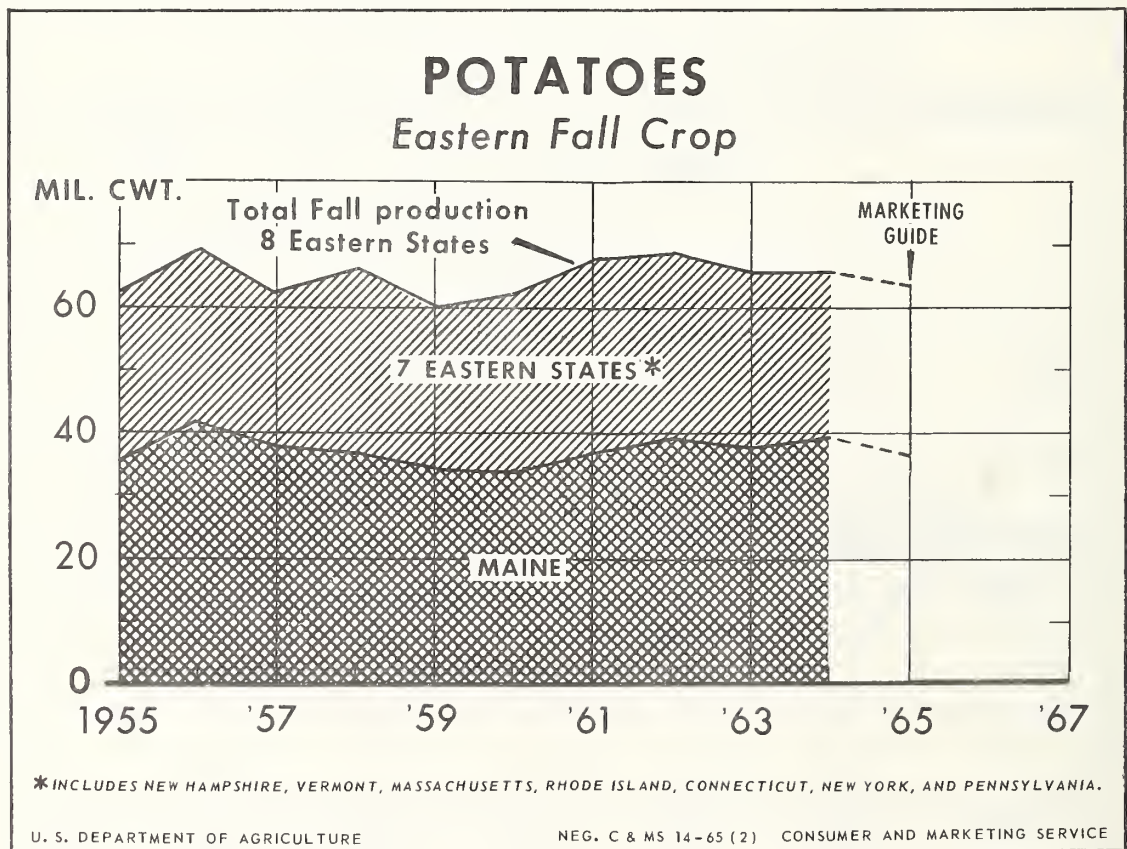
NEG. C & MS 10-65 (2) CONSUMER AND MARKETING SERVICE

V. REGIONAL TRENDS

In 1964, total production in the 8 eastern states accounted for 37.6 percent of the total fall tonnage; the 9 central states produced 21.2 percent, and the 9 western states, almost 41.1 percent. The percentage of the 1964 crop originating in the eastern states was slightly above 1963, and the percentage of the crop produced in central and western states decreased slightly.

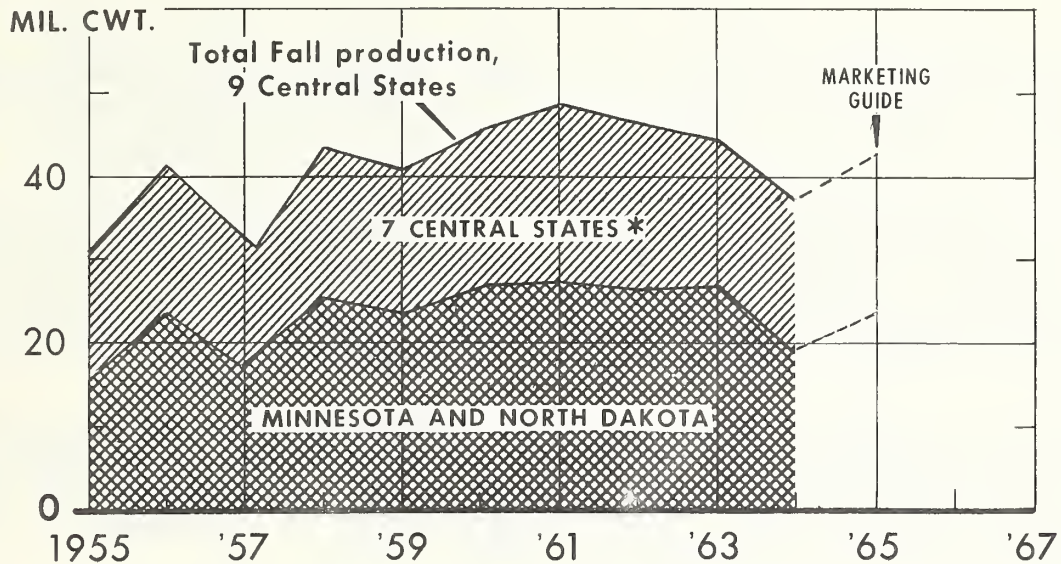
As shown in the chart below, the bulk of the eastern fall crop originates in Maine. In 1964, Maine produced almost 61 percent of the eastern fall crop. In 1964, fall crop production in Minnesota and North Dakota combined accounted for 51.5 percent of the production in the central states; Idaho produced almost 58 percent of the western crop. As shown in the charts on the opposite page, Minnesota and North Dakota and Idaho normally account for the bulk of the supply in their respective regions.

Market prices for potatoes in the fall, winter and early spring are influenced significantly by changes in levels of supply in Maine, Minnesota and North Dakota, and Idaho. In the fall and winter of 1964-65, the below-average supply of storage potatoes available in Idaho and Minnesota and North Dakota has been the major reason for the strong potato market.



POTATOES

Central Fall Crop



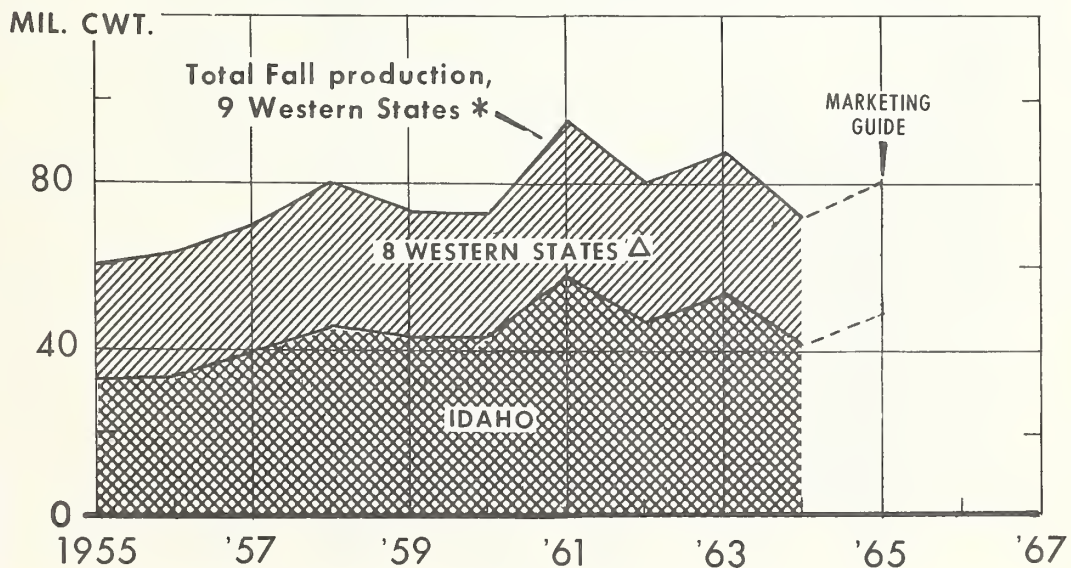
* INCLUDES OHIO, INDIANA, MICHIGAN, IOWA, SOUTH DAKOTA, AND NEBRASKA.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C & MS 12-65 (2) CONSUMER AND MARKETING SERVICE

POTATOES

Western Fall Crop



* INCLUDES LATE SUMMER CROP FOR IDAHO AND OREGON-RECLASSIFIED AS "FALL".

Δ INCLUDES CALIFORNIA, COLORADO, MONTANA, OREGON, WASHINGTON, WYOMING AND UTAH.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C & MS 14-65 (2) CONSUMER AND MARKETING SERVICE

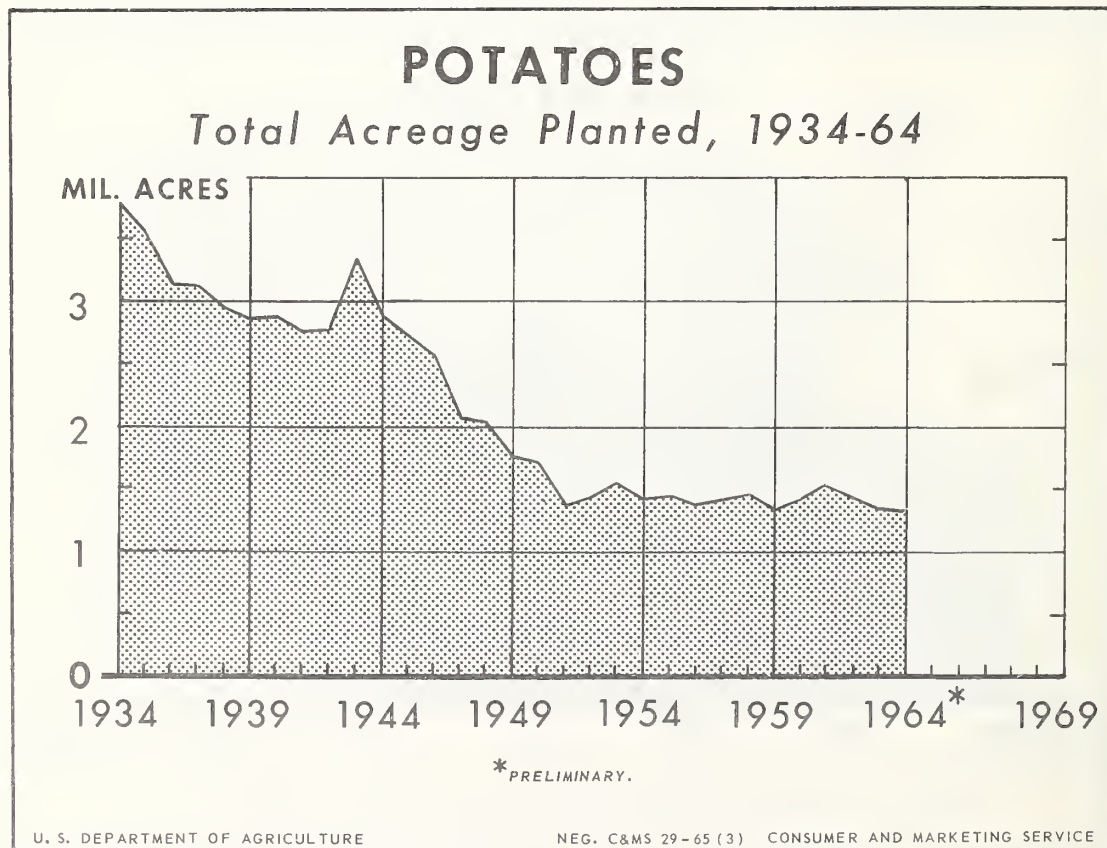
VI. REVIEW OF THE U. S. POTATO INDUSTRY

Some of the levels and trends in the potato industry considered in the preparation of the potato guides is provided in the commentary and charts that follow.

The total acreage planted to potatoes in 1964 was 1,347,200 acres. This is the smallest acreage reported since 1867. During the past decade, annual acreages have held within a narrow range. The 1960-64 planting average was 1.4 million acres, or 37 percent of the 1934 total of 3.8 million acres.

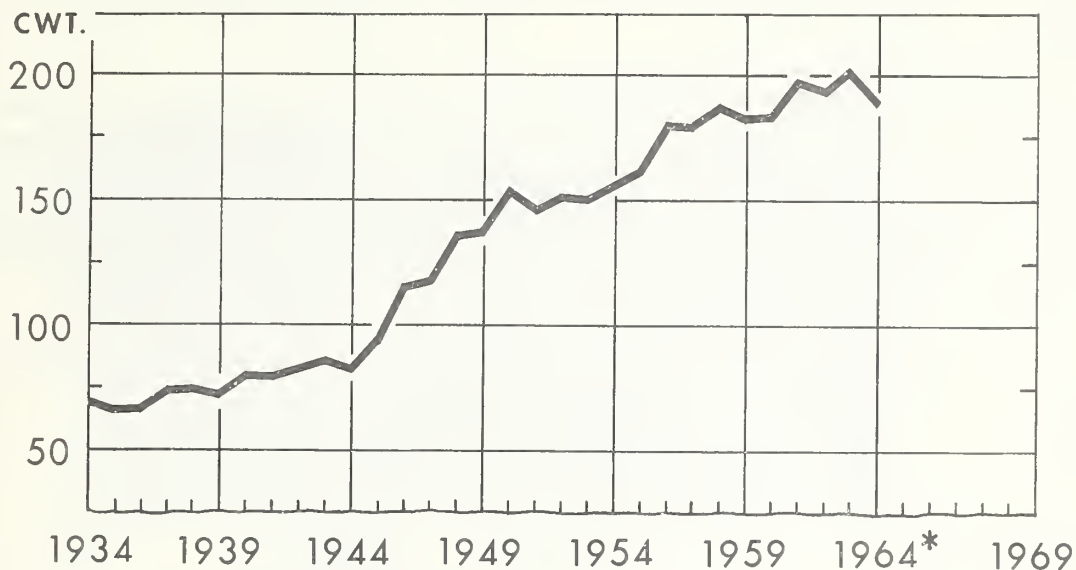
Due partly to declines in acreages in states and areas where low yields normally were obtained, and due partly to the widespread adoption by growers of the latest techniques for producing the crop, yields per acre have trended upward sharply. Weather patterns also affect crop yields. Many producing areas had extremes in temperature and rainfall in 1964, and the average yield per acre was 186 cwt. compared with the 1963 record of 202 cwt.

Due to the opposite trends in acreage and average yield per acre, potato production has been maintained at usually plentiful levels. A relatively small crop of 243 million cwt. was produced in 1964, or 11 percent less than in 1963. A marketing guide crop of 257 million cwt. is recommended for 1965 or 6 percent more than was produced in 1964.



POTATOES

Yield per Acre, 1934-64



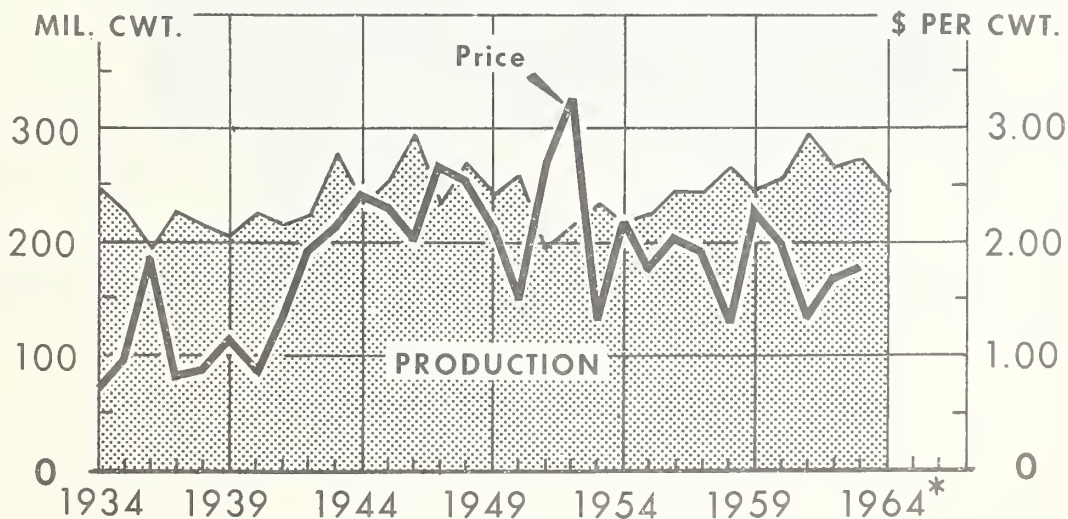
*PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 33-65 (3) CONSUMER AND MARKETING SERVICE

POTATOES

U. S. Production and Average Price Received by Farmers, 1934-64



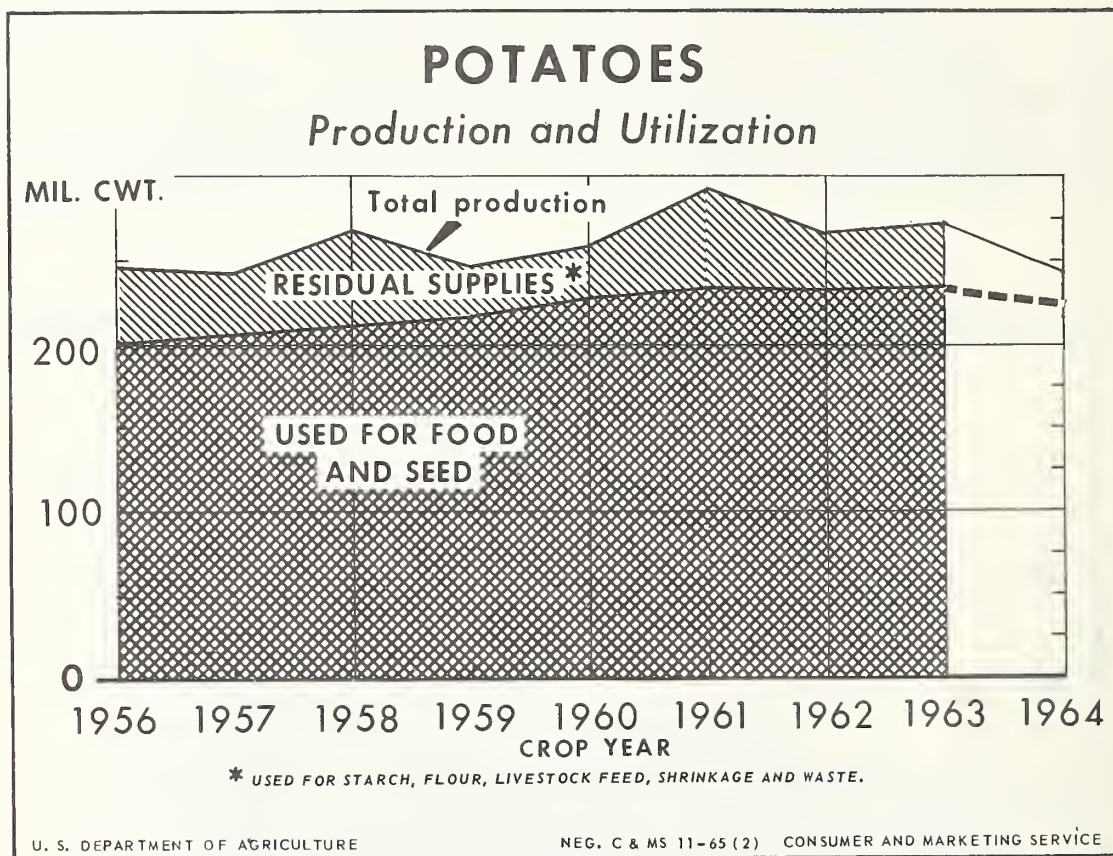
*PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

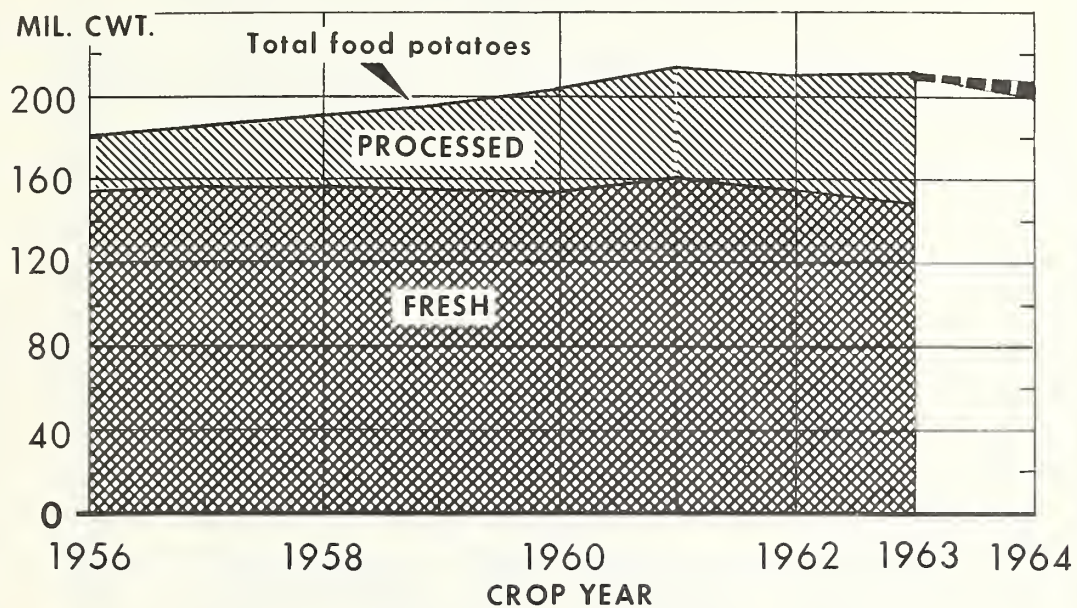
NEG. C&MS 30-65 (3) CONSUMER AND MARKETING SERVICE

As shown in the chart below, total potato production has been more than adequate for food and seed needs. The 1956-63 average potato production was 261.3 million hundredweight; food and seed outlets combine utilized an average of 219.1 million hundredweight or 84 percent of the average crop. As a result of the relatively small potato crop in 1964, more than 90 percent of the crop is expected to be utilized for food and seed, and less than 10 percent will be utilized in residual outlets.

As indicated in the charts on the opposite page, the fresh table market continues as the most important outlet for potatoes. But the sharp uptrend in utilization in processed products has broadened marketing opportunities for potato growers. Processed food potatoes accounted for 29 percent of the total potatoes used for food in 1963 compared with 14 percent in 1956. Fresh table potatoes accounted for 71 percent of the 1963 food total, a decline of 15 percent since 1956. A table on potato utilization is shown on page 22.



POTATO CONSUMPTION; PROCESSED USE SHOWS INCREASE

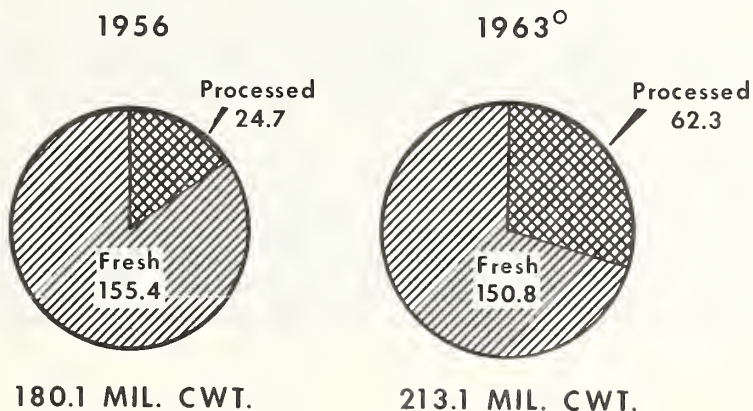


U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 24-65 (3) CONSUMER AND MARKETING SERVICE

POTATOES USED FOR FOOD

Fresh and Processed



^o PRELIMINARY.

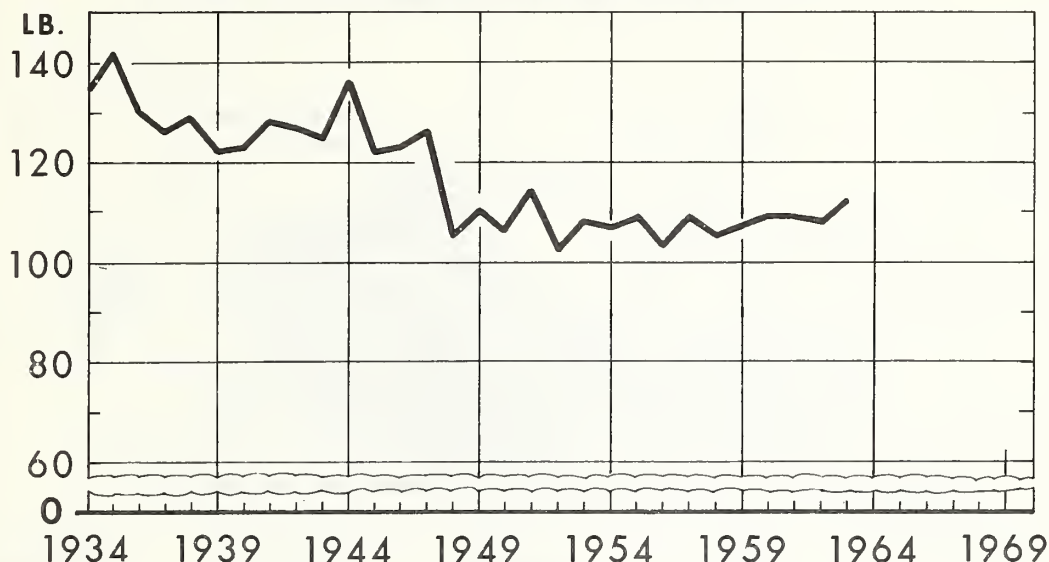
U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 31-65 (3) CONSUMER AND MARKETING SERVICE

Potatoes: Utilization of 1956-63 crops

Utilization items :	Crop Year					
	1956	1957	1958	1959	1960	1961 : 1962 : 1963
1,000 cwt.						
Fresh food:						
Tablestock (sales)	146,048	148,408	148,868	149,123	149,199	153,337 150,893 146,307
Farm household food	9,312	8,176	7,279	5,920	5,449	5,236 4,843 4,511
Sub-total	155,360	156,584	156,147	155,043	154,648	158,573 155,736 150,818
Processed food:						
Chips, shoestrings	14,566	17,356	17,063	20,085	21,018	22,642 24,086 26,693
Dehydration	3,223	3,776	5,917	7,656	10,104	8,518 9,280 9,909
Frozen	4,675	4,827	8,263	9,918	15,042	18,138 18,400 22,425
Canned	2,283	2,606	2,864	2,447	2,809	2,775 2,926 3,240
Sub-total	24,747	28,565	34,107	40,106	48,973	52,073 54,692 62,267
(1) Total food	180,107	185,149	190,254	195,149	203,621	210,646 210,428 213,085
(2) Starch, flour	18,336	12,691	18,387	7,718	10,177	20,493 11,285 11,737
(3) Feed sales	7,675	8,950	18,918	6,607	5,348	20,340 7,913 10,103
Feed on farms	4,148	2,718	3,916	3,085	2,909	4,234 3,381 3,128
Total	11,823	11,668	22,834	9,692	8,257	24,574 11,294 13,231
(4) Seed sales	13,435	13,641	13,079	13,583	14,823	13,823 14,333 14,323
Seed on farm	6,752	7,577	7,086	7,166	7,707	7,452 6,085 6,155
Total	20,187	21,218	20,165	20,749	22,530	21,275 20,418 20,478
(5) Shrinkage, loss	15,339	11,796	15,257	12,491	12,850	16,606 13,278 13,199
Production	245,792	242,522	266,897	245,799	257,435	293,594 266,703 271,730

POTATOES PER CAPITA CONSUMPTION *



* CIVILIAN CONSUMPTION. INCLUDES FRESH WEIGHT EQUIVALENT OF PROCESSED POTATOES.

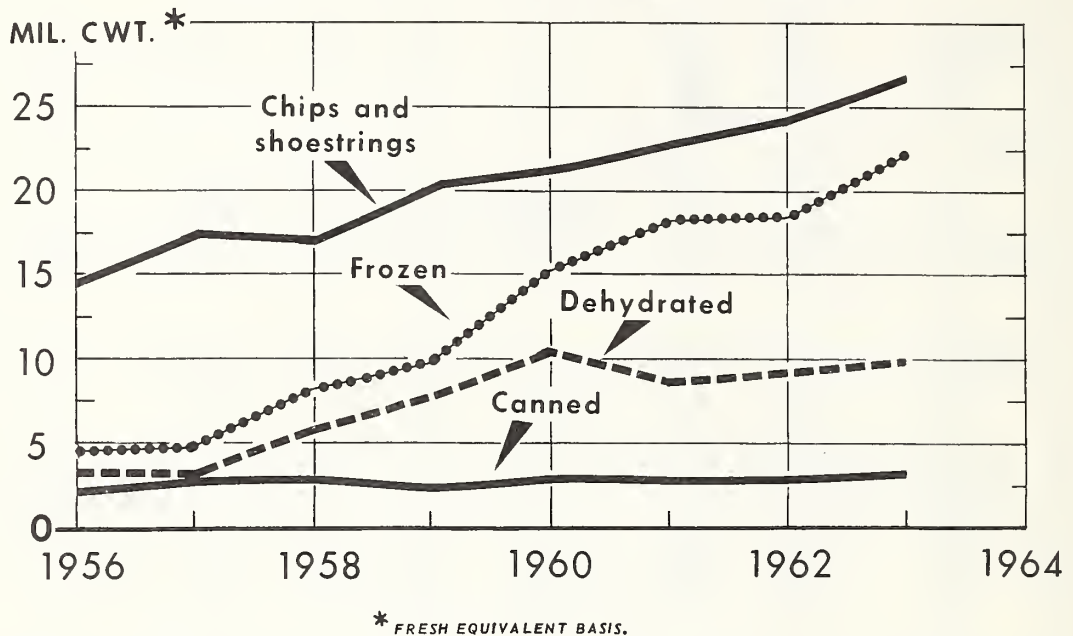
U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 32-65 (3) CONSUMER AND MARKETING SERVICE

Per capita consumption of potatoes in the 1963 marketing year was estimated at 112 pounds, the highest since 1951 when consumption totaled 114 pounds. In the past decade, consumption of fresh potatoes has trended downward but consumption of processed products has increased and has about offset the decline in fresh use. Increases in the consumption of chips, frozen, dehydrated, and canned products were responsible for the per capita upturn in 1963. On a fresh-weight equivalent basis, per capita uses of chips and frozen items in 1963 were estimated to have amounted to 14 and 12 pounds, respectively.

The future trend in consumption of potatoes will depend, of course, on the purchasing decisions of consumers who now number more than 190 million persons. In spite of the sharp increase in the number and variety of food items on display on grocers' shelves, potato sales held at favorable levels during the past decade. During the late 1960's, per capita consumption of potatoes is not expected to vary greatly from the levels indicated for the past several years.

VOLUME OF POTATOES FOR FOOD PRODUCTS SHOWS GAIN



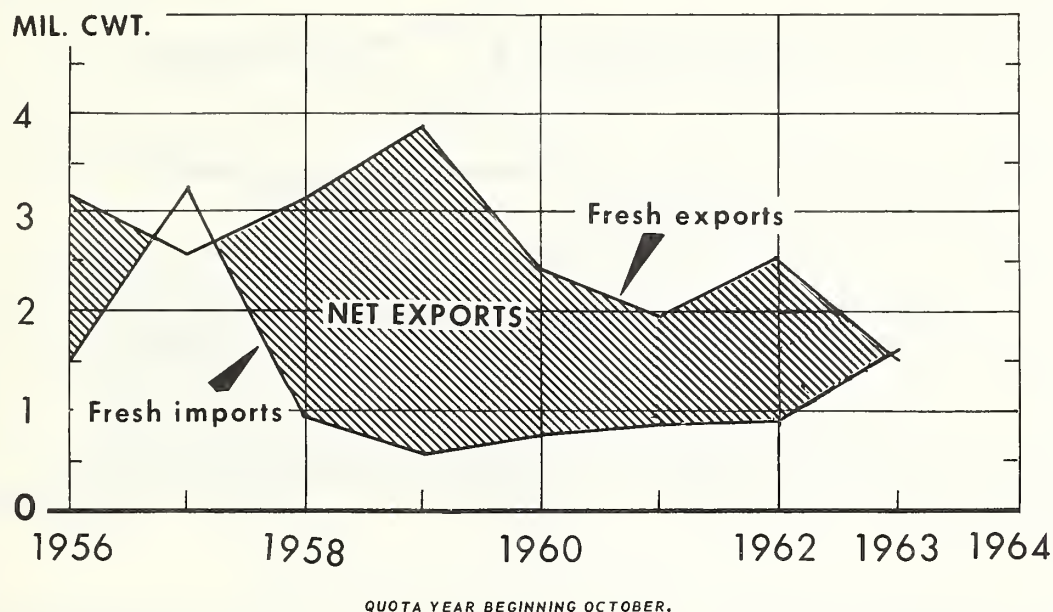
U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 26-65 (3) CONSUMER AND MARKETING SERVICE

Substantial gains have been recorded in the use of potatoes in chips and shoestrings and in frozen products. In the 1963 crop year, chippers utilized 11 percent more potatoes than in 1962; utilization for frozen products was up 22 percent. Gains also were recorded in 1963 in the total quantity of potatoes dehydrated and canned. Chips and shoestrings accounted for 12.5 percent of the total quantity of 1963 crop potatoes used for food; frozen products accounted for 10.5 percent.

Utilization of 1964 supplies by food processors is indicated to be at a high rate. Processors have been bidding aggressively for storage holdings in order to meet the strong demand for processed food products, particularly chips and frozen French fried. Due to expansion of existing plants and construction of new facilities, the total output of frozen potatoes in 1965 is expected to increase sharply. Rising consumer incomes will likely continue to have a strong influence on expanding the demand for processed food products.

EXPORTS AND IMPORTS OF FRESH POTATOES



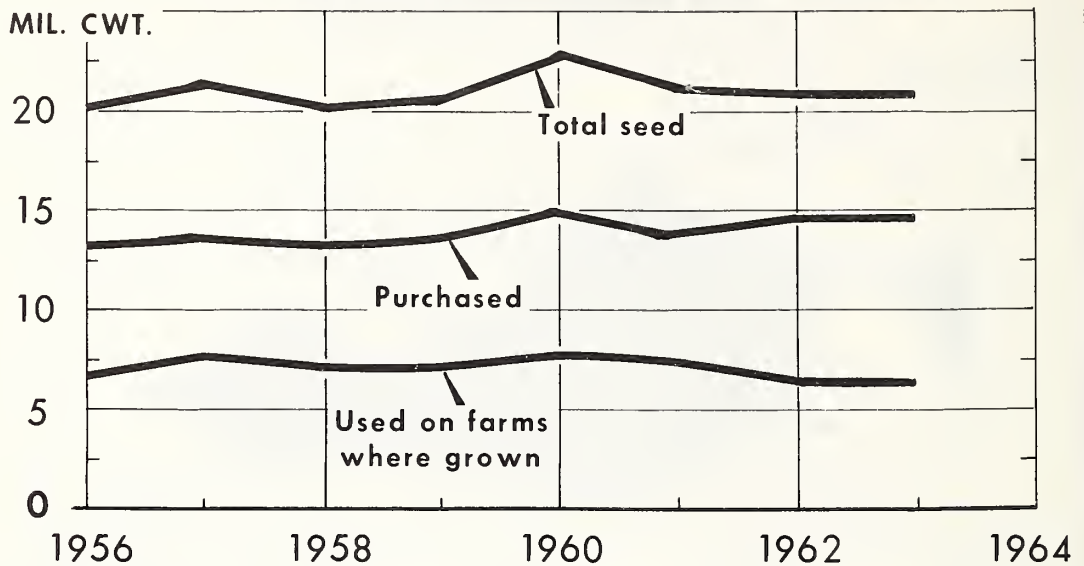
U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 21-65 (3) CONSUMER AND MARKETING SERVICE

Exports and imports of potatoes were nearly offsetting in the 1963-64 quota year. Total imports, all of which originated in Canada, amounted to 1.6 million cwt.; exports amounted to 1.5 million. Most of the exports moved into Canadian markets, and a small volume was sold in Mexico. Because of strong domestic markets, imports of potatoes from Canada in the fall and winter of 1964-65 have been heavy. The "low-duty" quota of 450,000 cwt. for other than certified seed potatoes was filled by mid-November, 1964; imports of certified seed potatoes as of February 6, 1965 amounted to 975,000 cwt. The low duty quota for certified seed is 1.14 million cwt. The duty for potatoes imported within quota limits is 37.5 cents per hundredweight; for potatoes imported after the import quota is filled, the duty is 75 cents. U. S. potato imports and exports since the 1956 quota year have been as follows (million cwt.):

	<u>Exports</u>	<u>Imports</u>		<u>Exports</u>	<u>Imports</u>
1956-57	3.2	1.5	1960-61	2.4	.7
1957-58	2.6	3.2	1961-62	2.0	.9
1958-59	3.1	.9	1962-63	3.5	.9
1959-60	3.9	.6	1963-64	1.5	1.6
			1964-65*	.1	1.4
			* incomplete		

POTATO SEED USE STEADY; OFF-FARM PURCHASES GAIN



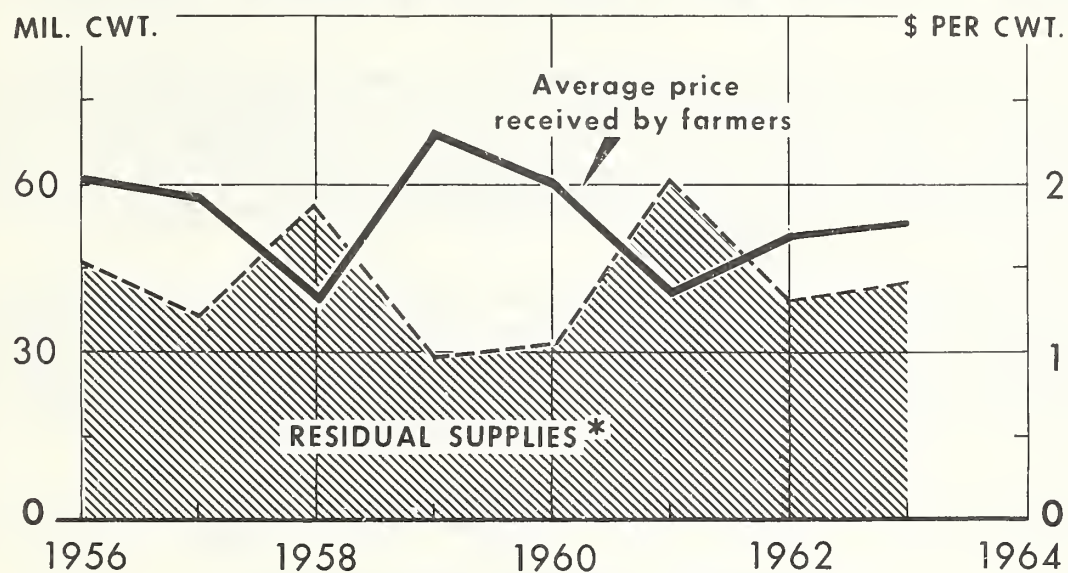
U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 25-65 (3) CONSUMER AND MARKETING SERVICE

Seed requirements for the annual potato crops have shown little change in recent years. Since the mid-1950's, total utilization has ranged from 20.2 to 22.5 million cwt. Although total acreage planted to potatoes has shown a slight downward trend, the total seed used has held relatively stable because seed application per acre has been trending upward slightly. This reflects the shift in potato acreage to large commercial farms where seed application rates usually are heavier compared to small farms. The 1965 national marketing guide includes 20 million cwt. of seed for planting 1966 crop acreages.

Production of certified seed potatoes is concentrated in Maine, Minnesota, Idaho, North Dakota, Wisconsin and California. The leading varieties certified in 1964 in order of importance were: Katahdin, Russet Burbank, Kennebec, Red Pontiac, Cobbler, White Rose, Red La Soda, Norland, Sebago and Chippewa.

POTATO PRICES DEPRESSED WHEN RESIDUAL SUPPLIES LARGE



*STARCH, FLOUR, LIVESTOCK FEED, SHRINKAGE AND WASTE.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 27-65 (3) CONSUMER AND MARKETING SERVICE

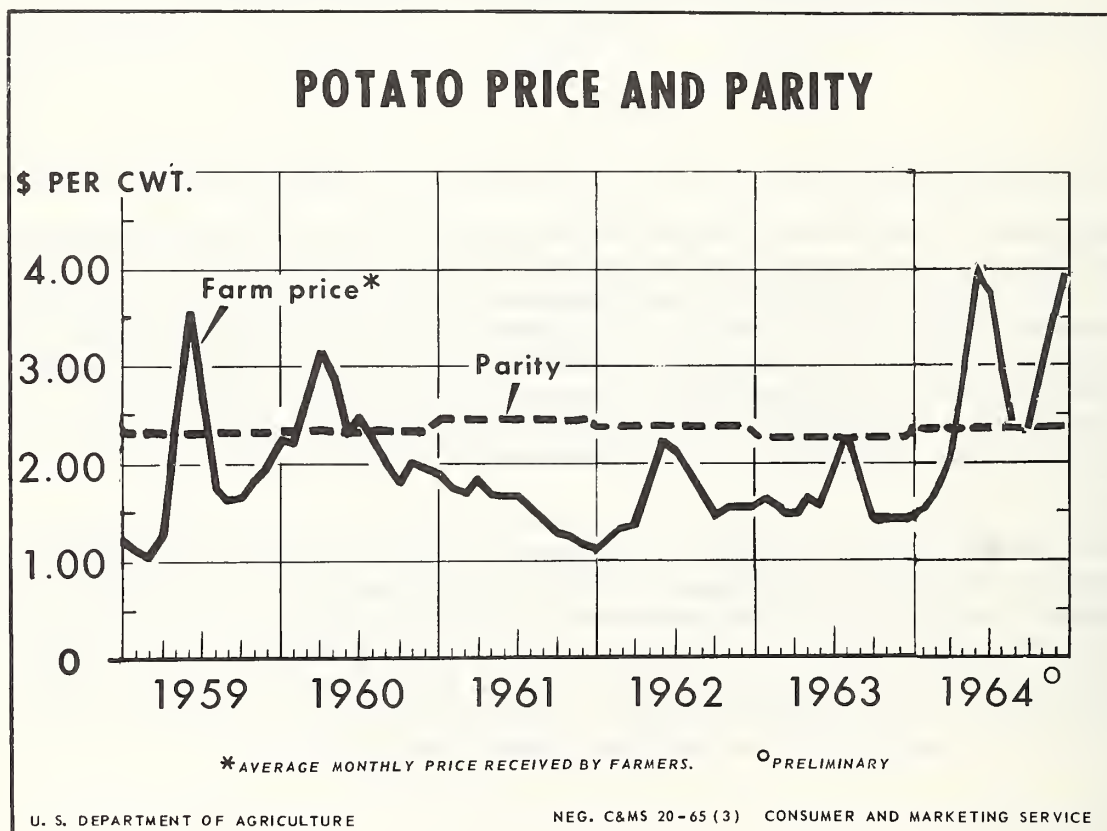
Supplies of potatoes in excess of food and seed needs, and those removed in the grading process are used in the manufacture of starch and flour or are fed to livestock. In addition, a significant portion of each crop is accounted for by shrinkage, waste and loss. Plants in Maine and Idaho process the bulk of potatoes diverted to starch. Most of the potatoes fed to livestock originate in fall crop areas and in the spring crop area of California. Residual quantities in the 1960, 1962 and 1963 crop years ranged from 12 to 14 percent of the U. S. annual production; 21 percent of the 1961 crop moved to residual outlets.

The average prices received by farmers for potatoes normally change in the opposite direction to changes in the residual quantity. Extremes in prices and residual quantities are shown in 1959 and 1961 crop data. A small residual quantity, less than 20 million cwt., is in prospect for the 1964 marketing year which will end in June, 1965. With a marketing guide crop of 257 million cwt., the residual quantity would approximate 23 million cwt., equivalent to 9 percent of the national marketing guide.

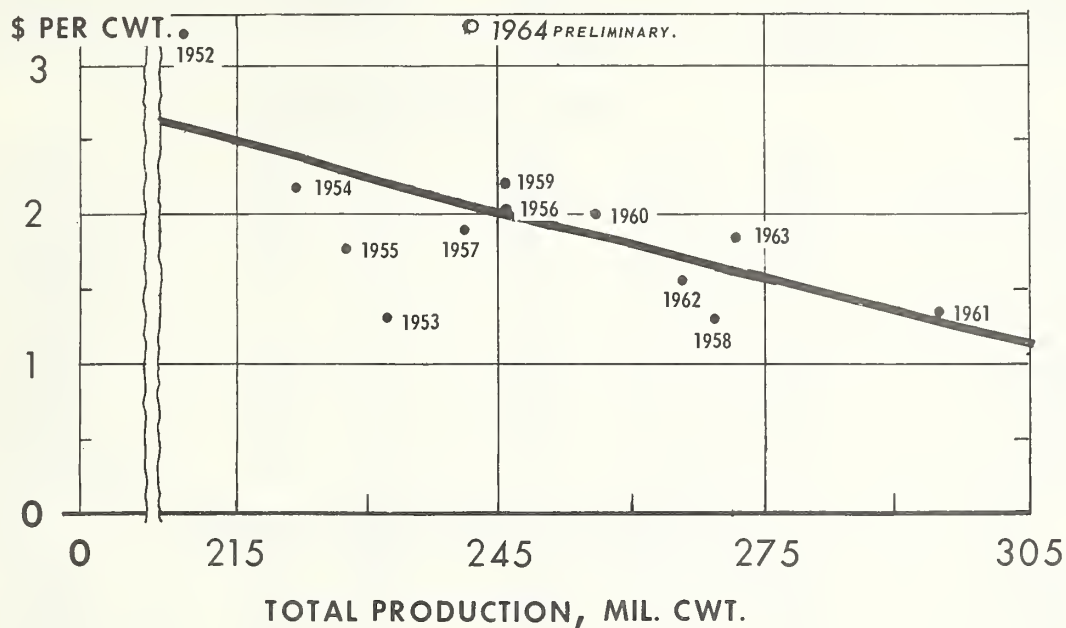
Farmers' prices for potatoes in 1964 peaked in June at \$4.02 per cwt. (see chart below). Supplies increased seasonally during the late summer and fall, and prices declined sharply. Fall storage supplies in 1964 were sharply below average and by December, 1964 the average price received by farmers had increased to \$3.40; the January, 1965 price was \$3.98 and the February price was \$4.11.

In the chart on the opposite page, the black diagonal line represents the 1952-64 average relationship of potato production and average price received by farmers. Large crops, such as those produced in 1958 and 1961, normally return relatively low average prices to growers. The 1964 crop was relatively small and farmers' prices are expected to average at least \$3.23 per cwt., which would be an all-time high.

The total value of potato sales have fluctuated widely in successive crop years. As shown in the chart on the opposite page, crop value was relatively low in 1953, 1958, and 1961, years in which production was relatively high and prices were depressed. Based on current market relationships, the value of the 1964 crop is expected to exceed \$700 million.



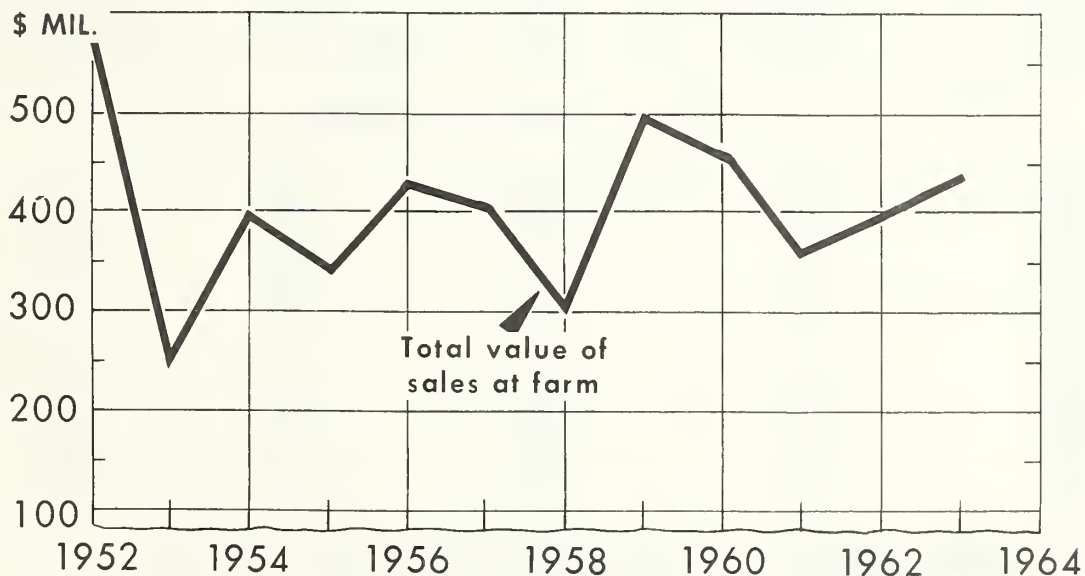
POTATO PRODUCTION AND AVERAGE PRICE RECEIVED BY FARMERS



U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 23-65 (3) CONSUMER AND MARKETING SERVICE

SINCE 1953, AVERAGE POTATO CROP SOLD FOR \$387 MILLION



U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 28-65 (3) CONSUMER AND MARKETING SERVICE

Potatoes: Index of acreage, yield per acre, and
production, selected seasons and United States, 1955-64
(1955-57 = 100)

Crop	:	Early	:	Late	:	Fall*	:	United
Year	:	Summer	:	Summer*	:		:	States
Index of acreage planted								
1955		110		101		102		102
1956		95		101		99		98
1957		96		98		99		99
1958		99		96		105		103
1959		90		92		102		96
1960		89		89		107		100
1961		90		89		120		108
1962		80		86		112		99
1963		79		86		106		96
1964		74		88		107		95
Index of average yield per acre								
1955		104		94		92		94
1956		100		104		105		104
1957		96		101		103		103
1958		118		108		108		108
1959		121		110		102		106
1960		134		115		101		106
1961		140		119		106		113
1962		129		120		106		112
1963		129		117		112		116
1964		126		113		100		107
Index of production								
1955		114		95		94		95
1956		94		106		106		103
1957		92		99		101		102
1958		114		104		116		112
1959		108		102		106		103
1960		119		102		110		108
1961		126		106		129		123
1962		103		103		119		112
1963		102		101		121		114
1964		93		100		107		102

* Late summer crop for Idaho and Oregon reclassified as fall.

Potatoes: Acreage and production in 1964 in major states, and state's rank

State and rank		Acreage harvested 1964	State and rank		Production 1964
		1,000 acres			1,000 cwt.
1.	Idaho	246.0	1.	Idaho	41,640
2.	Maine	145.0	2.	Maine	39,875
3.	North Dakota	100.0	3.	California	27,293
4.	Minnesota	96.1	4.	New York	18,350
5.	California	89.5	5.	Washington	12,105
6.	New York	80.5	6.	Wisconsin	10,685
7.	Wisconsin	58.0	7.	North Dakota	10,200
8.	Colorado	48.5	8.	Minnesota	9,894
9.	Michigan	45.0	9.	Colorado	9,458
10.	Washington	40.0	10.	Oregon	8,480
11.	Pennsylvania	39.0	11.	Michigan	7,950
12.	Oregon	36.0	12.	Pennsylvania	6,809
13.	Florida	32.7	13.	Florida	5,180
14.	Virginia	27.1	14.	New Jersey	3,460
15.	Alabama	20.3	15.	Virginia	2,783
16.	North Carolina	19.9	16.	Texas	2,777
17.	Texas	17.9	17.	Ohio	2,365
18.	New Jersey	17.3	18.	North Carolina	2,284
19.	Ohio	13.5	19.	Alabama	2,255
20.	Nebraska	10.6	20.	Arizona	1,968
Sub-total		<u>1,182.9</u>	Sub-total		<u>225,811</u>
Other States		<u>124.6</u>	Other States		<u>17,058</u>
Total		1,307.5	Total		242,869

U. S. DEPARTMENT OF AGRICULTURE
Consumer and Marketing Service
Washington, D. C. 20250

- - -

Official Business

Postage and Fees Paid
U. S. Department of Agriculture